



ENERGY ASSURANCE DAILY

Monday Evening, March 16, 2009

Electricity

Southern's 1,149 MW Vogtle Nuke Unit 2 in Georgia Reduced to 90 Percent by March 14

The Nuclear Regulatory Commission reported that on the morning of March 13 the unit was operating at full power. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Entergy's 858 MW Arkansas Nuclear Unit 2 in Arkansas Shut by March 14

The company shut the unit to fix a pump valve, a spokesman said. The Nuclear Regulatory Commission reported that on the morning of March 13 the unit was operating at 87 percent.

Bloomberg News, 09:37 March 16, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Luminant's 793 MW Martin Lake Coal-fired Unit 3 in Texas Trips by March 15

The "unit tripped while at reduced load due to ash pluggage in the backpass of the boiler," Luminant said in a filing with state regulators. The filing did not indicate when the unit would return to service.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=121337>

Reuters, 09:24 March 16, 2009

Update: TVA Restarts 1,155 MW Browns Ferry Nuke Unit 1 in Alabama by March 16

Tennessee Valley Authority (TVA) restarted the unit, down for nearly a month, and returned it to 42 percent power by March 16, the Nuclear Regulatory Commission (NRC) reported. The unit went offline by February 18 after an electrical bus malfunction. Operators attempted to restart it on February 19, but halted that effort due to a problem with the recirculation system.

Bloomberg News, 09:11 March 16, 2009

Reuters, 07:33 March 16, 2009

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Exelon's 1,111 MW La Salle Nuke Unit 1 in Illinois at Full Power by March 16

The Nuclear Regulatory Commission reported that on the morning of March 15 the unit was operating at 78 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Exelon's 1,093 MW Peach Bottom Nuke Unit 3 in Pennsylvania Ramped Up to 98 Percent by March 16

The Nuclear Regulatory Commission reported that on the morning of March 15 the unit was operating at 20 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

NPPD's 764 MW Cooper Nuke Unit in Nebraska Ramped Up to 80 Percent by March 14

The Nuclear Regulatory Commission reported that on the morning of March 13 the unit was operating at 52 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2009/>

Luminant Plans Restart of 593 MW Big Brown Coal-fired Unit 2 in Texas March 16

The company planned to restart the unit today, March 16, after performing repairs to the boiler feed pump, it said in a filing with state regulators. The unit went offline by March 10, according to a news source.

Reuters, 09:19 March 16, 2009

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=121266>

Mirant's 337 MW Contra Costa Gas-fired Unit 6 in California Returns to Service by March 13

According to the California Independent System Operator, the unit experienced an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus200903131515.html>

OPG Shuts 490 MW Nanticoke Coal-fired Unit 5 in Ontario by March 16

Ontario Power Generation (OPG) shut the unit to perform short work, a spokesman said.

Reuters, 09:00 March 16, 2009

OPG Shuts 490 MW Nanticoke Coal-fired Unit 8 in Ontario by March 16

Ontario Power Generation (OPG) shut the unit to perform short work, a spokesman said.

Reuters, 09:00 March 16, 2009

TransAlta Shuts 279 MW Wabamun Coal-fired Unit 4 in Alberta March 13

Bloomberg News, 15:14 March 15, 2009

Enmax's 250 MW Calgary Gas-fired Unit in Alberta Shut by March 13

Reuters, 9:24 March 16, 2009

Wind Storm Cuts Power to 32,000 Hydro One Customers in Ontario March 11-12

Winds gusted up to about 50 miles per hour, cutting power to 32,000 Hydro One customers in Ontario March 11-12. Only 8,000 remained without power by the afternoon of March 12, and fewer than 1,000 were still in the dark, as of latest reports.

<http://www.standard-freeholder.com/ArticleDisplay.aspx?e=1476216>

<http://lfpres.ca/newsstand/News/CanadaWorld/2009/03/12/8721326.html>

http://www.hydroonenetworks.com/en/about/our_services/power_outage_maps/NewReports/outage_summary.html

Update: SDG&E Says its Lines, Transformers to Blame for 167 Fires over Past 5½ Years—Company Seeks State Approval in Fire-Prevention Plan

San Diego Gas & Electric's (SDG&E) power lines or transformers started 167 fires in California over the past five-and-a-half years, the company told the state's Public Utilities Commission (PUC). SDG&E revealed the fire figure as part of its request for approval to cut power to some customers, under certain conditions, to prevent such incidents. The company would shut power only under multiple, coinciding circumstances, according to its plans.

<http://www3.signonsandiego.com/stories/2009/mar/14/In14shutoff004725-sdgampe-says-its-equipment-start/?zIndex=67005>

ERCOT Okays Luminant's Request to Retire 2,114 MW of Gas-fired Power in Texas

The Electric Reliability Council of Texas (ERCOT) approved Luminant's plans to retire 2,114 MW of gas-fired power plants in Texas, confirming that the shutdowns would not hinder electrical reliability within the state.

Luminant plans to retire the 231 MW Sweetwater plant, the combined-594 MW Morgan Creek Units 5 and 6, three, combined-726 MW units in North Lake, and the 563 MW Tradinghouse facility. ERCOT also approved its plans to mothball, at summer's end, the 302 MW Lake Creek plant. ERCOT is still considering the company's proposal to retire the 779 MW DeCordova plant and the combined-630 MW Permian Basin Units 5 and 6.

Reuters, 17:39 March 13, 2009

AMP-Ohio Plans More than 380 MW of Hydroelectric Power Projects in Ohio

American Municipal Power-Ohio (AMP-Ohio) is developing six hydroelectric power projects, and expects to boost its hydro output by more than 380 MW, according to a release. The largest of AMP-Ohio's plans is the proposed 105 MW Meldahl project, located at the Captain Medahl Dam on the Ohio River.

http://news.prnewswire.com/DisplayReleaseContent.aspx?ACCT=ind_focus.story&STORY=/www/story/03-13-2009/0004988398&EDATE=

Citizens Wind, Sioux Indians Plan 120 MW Wind Farm in South Dakota

Citizens Wind and the South Dakota-based Cheyenne River Lakota Sioux Indians plan to build a 120 MW wind farm on the tribe's South Dakota reservation. Citizens Wind, the commercial branch of Citizens Energy, said construction would take three years.

DJN, 12:59 March 16, 2009

DOE, Electric Industry Issue Security Requirements for Smart Meters

The Department of Energy (DOE) and the electric utility industry issued minimum security requirements for smart meters, part of the government's plan to address security concerns within Smart Grid systems. "Building not only a Smart Grid but a secure grid is a priority of the Department of Energy," said Hank Kenchington, deputy assistant secretary for R&D at the DOE's Office of Electricity Delivery and Energy Reliability (OE), the office tasked with coordinating Smart Grid development.

<http://gcn.com/Articles/2009/03/11/AMI-system-security-reqs.aspx?Page=1>

http://climatevision.gov/sectors/electricpower/pdfs/electric_vision.pdf

Petroleum

Flint Hills Shuts Unit on Demand Concerns at 210,000 b/d North Pole, Alaska Refinery March 7

Flint Hills shut one of three fuel refining units at its 210,000 b/d North Pole, Alaska refinery on March 7, citing decreased jet fuel demand. A spokesman said the company hoped the shutdown would stretch for just one month. Bloomberg News, 20:47 March 13, 2009

Citgo Reports Equipment Snag at 156,000 b/d Corpus Christi, Texas Refinery March 13

A PSV failure occurred on the bottom of the Alky Isotripper, the company said in a filing with state regulators. Operators "reduced feed and isolated" the leaking unit, according to the filing.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=121304>

Update: ConocoPhillips Close to Normal Operations at 139,000 b/d Wilmington, California Refinery

ConocoPhillips returned most units to service at its 139,000 b/d Wilmington, California refinery by March 16, and said the facility had largely resumed normal operations. A power outage forced the refinery offline on March 11. Reuters, 11:16 March 16, 2009

Update: Valero Says 26,000 b/d FCC Still Down at 87,400 b/d Ardmore, Oklahoma Refinery March 16

The 26,000 b/d gasoline-producing fluid catalytic cracker (FCC) remained offline today at Valero's Ardmore, Oklahoma refinery, despite the company's prediction March 11 that repairs would likely last just three days. A company spokesman said it was not clear when the unit would return to service, but that its restart was "on a day-to-day basis."

Reuters, 11:34 March 16, 2009

DJN, 12:10 March 16, 2009

Update: Alon Restarts Reformer at 80,000 b/d Krotz Springs, Louisiana Refinery

Alon returned the unit to full rates after two weeks of work.

Bloomberg News, 12:22 March 16, 2009

Shell Installs Production Platform on Perdido Spar in U.S. Gulf of Mexico

Shell completed construction of an oil drilling and production platform on the Perdido spar in the U.S. Gulf of Mexico, the company said today. Perdido is the deepest such facility in the world, and will eventually produce 130,000 b/d of oil equivalent, according to Shell.

<http://www.reuters.com/article/rbssEnergyNews/idUSN1654509520090316>

Suspected Militant Attack Forces Chevron to Shut About 11,500 b/d of Oil Production in Nigeria March 13

Suspected militants attacked and punctured Chevron's 16-inch Makaraba-Utonana pipeline early on March 13, forcing the company to shut-in 11,500 b/d of oil output from its Makaraba Platform in the Niger Delta, Nigeria, according to multiple sources. Chevron confirmed the production shutdown, and a military spokesman said the pipeline ruptures had caused leaks in four nearby communities.

Reuters, 12:45 March 16, 2009

Bloomberg News, 04:35 March 16, 2009

Iraq Seeks Tenders for 50,000 b/d Production Facility at Massive Halfaya Oilfield

Iraq issued a tender for construction of a 50,000 b/d production facility on the estimated 5-billion barrel Halfaya oilfield. The Halfaya oilfield, located in southern Iraq, can produce an estimated 250,000 b/d of oil, the Oil Ministry said.

Reuters, 07:52 March 15, 2009

Exxon Mobil's Azulao-1 Well Offshore Brazil Could Hold 8 Billion Barrels of Recoverable Oil, Says Brazilian Lawyer

Exxon Mobil's Azulao-1 well offshore Brazil could hold 8 billion barrels of recoverable oil, according to a partner at TozziniFreire Advogados, a Brazilian law firm that represents foreign energy companies. The projected figure equals the expected yield of the massive, nearby Tupi oilfield.

http://www.shanghaidaily.com/sp/article/2009/200903/20090314/article_394175.htm

Undercutting Pemex Projections, IEA Says Mexico's Cantarell Oilfield to Produce just 600,000 b/d in 2009

The International Energy Agency (IEA) expects Mexico's Cantarell oilfield to produce an average 600,000 b/d in 2009, down from an average 1 million b/d in 2008, the group said on March 13. State-oil company Pemex said previously it expected to produce 756,000 b/d.

http://www.rigzone.com/news/article.asp?a_id=73988

Occidental Plans to Boost Output by 65,000 b/d at Awali Field in Bahrain

Occidental plans to boost capacity by 65,000 b/d, from 35,000 b/d to 100,000 b/d, at the onshore Awali oilfield in Bahrain.

Reuters, 09:53 March 15, 2009

Natural Gas

CIG Cancels Force Majeure at Morton Compressor Station in Colorado March 13

Colorado Interstate Gas (CIG) said capacity at its Morton Compressor Station in Colorado would return to 382.0 MMcf/d, as of March 14, 2009.

<http://ebb.cigco.com/ebbCIG/Notices/NoticeView.asp?sPipelineCode=CP&sSubCategory=Critical&sNoticeId=799>

Spectra Launches Open Season for Planned Expansion to Texas Eastern Transmission Natural Gas Pipeline System in Texas

Spectra Energy launched a non-binding open season for a planned expansion to its existing Texas Eastern Transmission natural gas mainline, the company said in a release. The "ETX Expansion Project" would provide transportation options from receipt points along the pipeline's East Texas rate zone. Spectra plans to open the project in phases, beginning in early 2010. It expects to finalize a specific scope after the open season.

http://www.spectraenergy.com/news/releases/2009/mar/20090312_02.asp

Sempra Energy Awaits Improved Market Conditions in Plans for 1.5-3.0 Bcf/d Port Arthur LNG Terminal in Texas

Sempra Energy will not break ground on its proposed 1.5-3.0 Bcf/d Port Arthur LNG terminal in Texas until market conditions improve, and its supplier capacity contract is fulfilled, the company said.

<http://www.sempralng.com/Pages/Terminals/PortArthur/default.htm>

http://www.downstreamtoday.com/news/article.aspx?a_id=15593

Cheniere LNG Postpones Expansion of Existing 2.6 Bcf/d LNG Regasification Facility in Louisiana/Texas

Cheniere LNG opened the 2.6 Bcf/d phase one of its Cameron Parish, Louisiana LNG regasification facility in April 2008. It had expected to break ground on the project's second phase—an additional 1.4 Bcf/d of capacity—in the second quarter of 2009. The company does not plan to begin construction, however, until market conditions improve, a spokeswoman said.

http://www.downstreamtoday.com/news/article.aspx?a_id=15593

U.S. Natural Gas Storage Demand Could Exceed Capacity in 2009, Analysts Say

U.S. natural gas storage supplies could reach 4.1-4.5 Tcf by the end of October 2009, potentially outpacing the nation's estimated 3.789 Tcf of underground storage capacity, according to analysts. If storage inventories total 1.6 Tcf by March's end—current figures are well above that mark—domestic gas production and LNG imports could push storage demand beyond current capacity. The Energy Information Administration estimated that peak working storage capacity, as of mid-2008, was 3.789 Tcf. The EIA said, however, that the figure was about 92 percent of designed working gas capacity, due to difficulties in obtaining an absolute number.

<http://www.platts.com/Natural%20Gas/News/7732064.xml?p=Natural%20Gas/News&sub=Natural%20Gas>

Nearly Half of U.S. Natural Gas Rigs Offline—Analysts Expect Sharp Jump in Price

Companies have shut approximately 45 percent of U.S. natural gas rigs since September 2008, and analysts expect the steep output drop to trigger a nearly-two-fold jump in natural gas prices by January 2010. Analysts expect natural gas prices to rise from the current \$3.824 per million Btus (NYMEX price) to \$7 per million Btus.

Bloomberg News, 11:59 March 16, 2009

Other News

Peabody Coal to Shut 1 Million Ton/Year Vermilion Grove Coal Mine in Illinois

Peabody said that workers had extracted all the mine's safely-removable reserves.

<http://www.chicagotribune.com/news/chi-ap-il-coalminecloses.0,4555482.story>

<http://illinoishomepage.net/content/fulltext/?cid=74731>

Magellan Midstream Partners, POET to Assess Feasibility of 1,700-mile, Midwest-Northeast U.S. Dedicated Ethanol Pipeline

Magellan Midstream Partners and POET signed a joint development agreement to continue assessing the feasibility of constructing a dedicated ethanol pipeline. The proposed pipeline system would transport ethanol approximately 1,700 miles, from Midwest production hubs to distribution terminals in the northeastern United States.

http://www.magellanlp.com/news/2009/20090316_5.htm

<http://www.reuters.com/article/rbssEnergyNews/idUSN1648240120090316>

DOE Plans Regional "Energy Park" in Tennessee Valley Corridor

The Department of Energy (DOE) unveiled plans for the Tennessee Valley Energy Enterprise, a regional "energy park" that would work to clean the environment, increase energy security and establish jobs in the four-state Tennessee Valley Corridor.

http://blogs.knoxnews.com/knx/munger/2009/03/does_tennessee_valley_energy_e.html

Energy Prices

U.S. Oil and Gas Prices March 16, 2009			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	47.38	46.47	109.96
NATURAL GAS Henry Hub \$/Million Btu	3.90	3.93	9.74

Source: Reuters

Energy Notes

State Regulators Vote to Approve Certificate of Environmental Impact and Public Interest for Cape Wind's Proposed 420 MW Wind Farm Offshore Massachusetts

BSW, 13:59 March 13, 2009

Reuters, 14:32 March 13, 2009

Maryland Public Service Commission Okays Certificate Exemption for Proposed 69.6 MW Wind Farm in Western Maryland

<http://www.platts.com/Electric%20Power/News/7729076.xml?p=Electric%20Power/News&sub=Electric%20Power>

Update: NRC Issues Final Regulatory Rules for Yucca Mountain Nuclear Waste Storage Facility in Nevada

<http://www.platts.com/Nuclear/News/7732109.xml?p=Nuclear/News&sub=Nuclear>

World Solar Photovoltaic Market Installations Hit Record 5.95 GW in 2008—Solarbuzz

<http://www.solarbuzz.com/News/NewsNACO897.htm>

Mechanical Snag, Flaring at Chevron's 260,000 b/d El Segundo, California Refinery March 15

Bloomberg News, 13:59 March 15, 2009

Update: Crow Official Says Government Issues Preliminary Okay for Proposed 50,000 b/d Coal-to-Liquid Fuel Plant on Montana Reservation

<http://www.forbes.com/feeds/ap/2009/03/13/ap6166345.html>

Update: USW Local Unions Approve Contracts at Sunoco Refineries in Philadelphia and Marcus Hook, Pennsylvania

Bloomberg News, 11:58 March 16, 2009

Update: TransCanada Keystone Pipeline Company Files with State PUC for Permit to Build Keystone XL Oil Pipeline Project through South Dakota

http://www.bhpioneer.com/articles/2009/03/14/breaking_news/doc49bc37789eccc976145895.txt

Oil Platform Helicopter Shuttle Crashes Offshore Newfoundland, Canada March 11—Sixteen Men Reported Missing

http://www.rigzone.com/news/article.asp?a_id=73954

Enbridge Postpones Plans for Fort Hills Oil Pipeline in Alberta, Canada

<http://www.calgaryherald.com/Sports/Enbridge+plans+pipelines/1288701/story.html>

Vopak Plans Expansion to 18.87 Million Barrel Oil Storage Terminal in Bahamas

http://www.tankterminals.com/news_detail.php?id=314

http://www.vopak.com/business_segments/storage/142_page_terminalSpecific.php?terminal=Vopak%20Terminal%20Bahamas&barrels=1

Turbine Shutdown at Goldsmith Gas Plant in Texas March 15

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=121336>

Unit Shutdown at Tilden Gas Plant in Texas March 14

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=121331>

High Discharge Pressure Forces Shut Ratliff Booster Station in Texas March 13

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=121330>

Natural Gas Leak Triggers Explosion, Kills Woman in Montana March 5

<http://www.ktbb.com/news/local/41215682.html>

Devon Energy Plans Natural Gas Processing Plant in Oklahoma—to Enter Service in 2011

<http://www.ktul.com/news/stories/0309/603149.html>

Fog Briefly Shuts Outbound Traffic in Houston Ship Channel March 16

Reuters, 12:11 March 16, 2009

Suspected Nigerian Militants Attack Shell-Contracted Oil Supply Vessel Offshore Cameroon March 14

Reuters, 16:19 March 14, 2009

Nigerian Military Thwarts Assault on Shell-Contracted Facility in Niger Delta, Nigeria March 16

Bloomberg News, 13:02 March 16, 2009

Nigeria Plans to Give Niger Delta Communities Shares in Local Oil Projects—Hopes Proposal Will Slow Regional Attacks

Bloomberg News, 13:50 March 16, 2009

International Oil Output Dips 1 Million b/d in February 2009, to a Total 83.9 Million b/d—IEA

<http://www.platts.com/Oil/News/8416691.xml?p=Oil/News&sub=Oil>

Iraq's Kurdistan Region Expects to Start Oil Exports through Iraqi Pipelines in Coming Months, Official Says

http://www.downstreamtoday.com/news/article.aspx?a_id=15597

Heavy Traffic Stalls Ships up to 10-11 Days at Iraq's Basra Oil Terminal—Shipping Agency Report

<http://www.platts.com/Oil/News/7482967.xml?p=Oil/News&sub=Oil>

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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